



financial statements

as at 30 June 2015

ABN 87 112 051 457

ACN 112 051 457



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Director's Report

The Directors present their report with the financial report of Westmont Aged Care Services Limited for the period ended 30 June 2015 and the auditor's report thereon.

Directors

The names of the Directors of Westmont Aged Care Services Limited at any time during or since the end of the financial year are:

Name and Qualifications	Age	Experience and Special Responsibilities
Trevor McLean Bachelor of Commerce, Dip. Financial Planning, FCPA, FAICD	72	Director since 2009, Deputy Chairman 2012 - 2013, Chairman since 2013 Managing Director, MAPS Group Ltd 11 years; Director Finance & Treasury, City of Melbourne 9 years Money Broker, ANZ McCaughans 2 years Assistant Treasurer Australia Post 3 years Australian Defence Forces 9 years Adviser in Vietnam 1 year
Andrew McArthur Williams Bachelor of Laws	63	Director since 2004, Deputy Chairman since 2008. Partner Warren Graham & Murphy Solicitors 12 years Director Kell Moore Lawyers 22 years, Nationally Accredited Mediator 4 years, Andrew Williams Lawyer Consultant and Mediator 2 years
Raymond Henry Snell	65	Director & Inaugural Chairman of Westmont Aged Care Services Ltd from 2004 to 2013, Deputy Chairman since 2013. Director & Chairman Huon Properties Pty Ltd 26 years - current Director & Chairman Snell Management Services Pty Ltd 27 years - current Director & Chairman Snell Superannuation Pty Ltd 16 years - current.
John Dunstan Bachelor of Engineering, Master of Business Administration (resigned as a Board Director April 2015)	70	Director since 2006 46 years experience in managing civil and general construction, managing timber businesses and consulting to the Timber Industry. Served on various Timber Industry bodies and locally on Catholic School and Parish Councils.
Eleanor Leoni Fitz Master Degree Business (HM) Grad. Dip.Ed.Admin, Dip. App. Sc Food Services Teaching Certificate Work Place Trainer Certificate UK Trade Certificates Catering Management	71	Director since 2004 & Company Secretary since 2012. 39 years Educational and Business Management experience Food Services – Aged Care Consultant International Vocational Education & Training Consultancy Business Partner Transport Services Tourism Services - Special Interest Cruises

Director's Report

Name and Qualifications	Age	Experience and Special Responsibilities
Neville Gordon Seymour	76	<p>Director since 2004. Deputy Chairman 2004 – 2008</p> <p>21 years experience in local government as Councillor and Shire President</p> <p>20 years Gundowring CFA Captain</p> <p>30 years President Dederang Reserve Committee</p> <p>Many years on local and regional community and welfare committees</p> <p>2014 Member of Country Racing Working Party (3 year appointment)</p>
<p>Robert Fraser Smith</p> <p>Certificate of Business Studies (resigned as a Board Director October 2014)</p>	73	<p>Director since December 2010</p> <p>Former State Executive Member – Private Hospitals and Nursing Homes Association of Victoria</p> <p>Former Executive Director – American Medical International, Australia – Pacific – Near East</p> <p>Former Executive Director – Pinelodge Clinic, Psychiatric Hospital and other Acute Medical/Surgical facilities</p> <p>Former General Manager – Enhance Aged Care Services Victoria</p> <p>Former Chairman – The Australian Boys Choir</p> <p>Inaugural Chief Executive Officer – Westmont Aged Care Services Ltd, resigned in March 2010</p>
<p>Andrew Geoffrey Brown</p> <p>Registered Nurse</p> <p>Diploma of Management</p> <p>Tertiary studies in Health Sciences and Commerce</p> <p>GAICD</p>	47	<p>Director since August 2013</p> <p>28 years experience in the health industry - clinical, management, project management and at executive level in regional roles in health services in both public and private sectors.</p> <p>3½ years Director of Quality and Clinical Governance at Albury Wodonga Health.</p> <p>Board Director Tallangatta Health Services and Chair since 2012 - 2014</p> <p>General Manager Client Services, Gateway Health - current</p>
Angela Collins	55	<p>Co-opted Director April 2013</p> <p>6 years Morses Newsagency</p> <p>18 years Myer</p> <p>7 years Elders Real Estate</p> <p>5 years Ian Ritchie Real Estate - current</p> <p>4 years Councillor City of Wodonga (2 years as Deputy Mayor)</p> <p>Fully licenced Real Estate Agent in NSW & Victoria</p>

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

The company secretary at the end of the financial year was Mrs Eleanor Fitz.

Principal Activities

The principal activity of the Company during the course of the year was the operation of aged care facilities.

Director's Report

Operating Result

The operating loss of the Company after income tax for the year ended 30 June 2015 was \$1,479,945 (2013/14 \$1,461,361 loss). Prior to the provision for depreciation the Company has a profit of \$439,648, (2013/14 \$311,816). The Company is exempt from income tax.

Dividends

As the Company is a limited company by guarantee and does not have share capital, no dividend is payable.

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs that occurred during the financial period under review not otherwise disclosed in this report or the financial report.

Review of Operations

Westmont Aged Care Services has continued to develop and operate a range of aged care, residential and community services for the people of Wodonga and the surrounding region in the 2014/15 financial year.

This financial year, the 40 Apartments continued to attain 100% occupancy, albeit for a short period, as a number of residents have taken the opportunity to move to the Homestead. There were a further 14 independent living villas occupied during the financial year, and a total of 37 villas occupied at the end of the financial year. It is envisaged that up to 123 two and three bedroom independent living villas, approximately 80 assisted living apartments (40 constructed to date) and 125 residential aged care beds will be operated on this site by this management team.

The Homestead (100 beds) residential aged care facility has maintained almost 100% occupancy throughout the year.

There has been considerable growth with the Community Care component of the Westmont business during the financial year, and it is anticipated that this will continue to grow steadily. Part of this growth is attributed to the strong demand for services by Home and Community Care Clients.

Continued pressure is being placed on each element of our budgeted income and expenditure, particularly in the Residential Aged Care area of our operation. It is essential that there is continued maximisation of the ACFI funding that is available, to ensure the sound financial situation from prior years is maintained, with future surpluses before depreciation and other provisions being predicted.

The Board is confident of continued positive financial results with prudent fiscal management.

Director's Report

Directors Meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director are as follows:

Directors	Board Meetings held & attended				Project Group meetings held & attended		Marketing meetings held & attended		Finance & Audit meetings held & attended		Policy meetings held & attended		Executive Remuneration		Clinical Governance	
	Held	Attended	Approved Leave	Apology	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
T McLean	10	10			6	6			4	4			1	1		
A Williams	10	8	1	1	6	5							1	1		
R Snell	10	10			6	6			4	4			1	1		
E Fitz	10	7	3				1	1					1	1		
N Seymour	10	10					1	1			4	4				
R Smith *	10	3			6	1										
J Dunstan **	10	5		3	6	3										
A Brown	10	10									4	4			1	1
A Collins	10	10									4	4				

* resigned October 2014

** resigned April 2015

Director's Report

Indemnification and insurance of Directors and Officers

During the year, a premium was paid in respect of a contract insuring directors and officers of the Company against liability.

The officers of the Company covered by insurance contract include the directors, executive officers, secretary, and employees.

In accordance with the normal commercial practice, disclosure of the total amount of premium payable under, and the nature of the liabilities covered by, the insurance is prohibited by a confidentiality clause in the contract.

The Company has not indemnified its auditors.

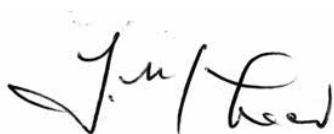
No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on Schedule 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:



Trevor McLean, Director

Dated this 18th day of September 2015.

Statement Of Financial Position

as at 30 June 2015

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	2	977,852	792,037
Trade & Other Receivables	3	3,585,303	2,497,581
TOTAL CURRENT ASSETS	19	4,563,155	3,289,618
NON-CURRENT ASSETS			
Property, plant and equipment	4	45,091,966	39,740,372
TOTAL NON-CURRENT ASSETS		45,091,966	39,740,372
TOTAL ASSETS		49,655,121	43,029,990
CURRENT LIABILITIES			
Trade & Other Payables	5	3,017,673	2,071,191
Short Term Provisions	6	757,230	634,272
Financial liabilities	8	-	-
TOTAL CURRENT LIABILITIES	19	3,774,903	2,705,463
NON-CURRENT LIABILITIES			
Other	7	31,093,935	26,720,519
Long Term Provisions	6	198,470	160,143
Financial liabilities	8	-	-
TOTAL NON-CURRENT LIABILITIES		31,292,405	26,880,662
TOTAL LIABILITIES		35,067,308	29,586,125
NET ASSETS		14,587,813	13,443,865
EQUITY & RESERVES			
Retained earnings		2,374,454	2,298,554
Asset Revaluation Reserve		12,213,359	11,145,311
TOTAL EQUITY		14,587,813	13,443,865

Statement Of Changes in Equity

for the year ended 30 June 2015

	NOTE	Retained Earnings	Asset Revaluation Reserve	Total \$
Balance at 30 June 2013		3,634,379	9,527,847	13,162,226
Profit (loss) attributable to entity for year		(1,335,825)		(1,335,825)
Surplus arising on revaluation	4(b)		1,617,464	1,617,464
Balance at 30 June 2014		2,298,554	11,145,311	13,443,865
Profit (loss) attributable to entity for year		(1,075,354)		(1,075,354)
Surplus arising on revaluation	4(b)		2,219,302	2,219,302
Transfer to Retained Earnings	4(c)	1,151,254	(1,151,254)	-
Balance at 30 June 2015		2,374,454	12,213,359	14,587,813

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2015

	NOTE	2015 \$	2014 \$
Revenue	9(a) & 9(b)	11,861,883	10,110,470
Employee benefits expense		(8,181,719)	(6,989,117)
Catering Services		(548,962)	(504,092)
Maintenance		(260,812)	(188,999)
Utilities		(293,854)	(307,470)
Finance Costs		(24,212)	(87,773)
Transfer to provisions for uplift repayment	5	(123,931)	-
Other expenses from ordinary activities		(1,988,745)	(1,721,203)
Total Expenses	11	(11,422,235)	(9,798,654)
Operating Profit or (Loss) before Depreciation and Provision for Impairment and Capital Revenue		439,648	311,816
Government Capital Funding & Rebates	9(c)	404,591	125,536
Profit or (Loss) before Depreciation		844,239	437,352
Depreciation		(1,919,593)	(1,773,177)
Net profit (loss) for the year before income tax	13	(1,075,354)	(1,335,825)
Income tax expense		-	-
Net profit or (Loss) for the year		(1,075,354)	(1,335,825)
Other comprehensive income			
Net gain on revaluation of non-current assets	4(b)	2,219,302	1,617,464
Total comprehensive income (loss) attributable to members equity		1,143,948	281,639

Statement of Cash Flows

for the year ended 30 June 2015

	2015 \$	2014 \$
Cash Flows from Operating Activities		
Receipts		
Client & Residential Fees	3,341,688	2,826,022
Commonwealth Government service fees	5,380,342	5,228,030
State Government service fees	2,019,030	1,157,680
Interest	58,340	65,593
Coffee Shop	78,663	70,557
Transitional Care Program	144,847	122,004
Other income	119,850	51,695
Payments		
Employee benefits paid	(7,978,998)	(6,816,722)
Suppliers	(3,010,219)	(2,534,709)
Net Cash From / (Used In) Operating Activities	153,543	170,150
Cash Flows from Investing Activities		
Proceeds from disposal of assets	123,752	-
Funding for Capital Acquisitions	212,591	125,536
Construction works in progress – Buildings	(4,594,750)	(2,656,092)
Purchases of plant & equipment	(545,028)	(228,887)
	(4,803,435)	(2,759,443)
Cash Flows from Financing Activities		
Apartment lease premiums received	1,637,700	3,077,300
Apartment lease premiums repaid	(1,481,271)	(2,159,186)
Loan repaid to bankers	-	(1,154,460)
Accommodation bonds & RAD's received *	2,993,298	2,767,734
Accommodation bonds & RAD's repaid *	(2,147,263)	(2,331,881)
Villa lease premiums received	4,106,560	3,429,390
Villa lease premiums repaid	(273,317)	(278,336)
	4,835,707	3,350,561
Net Increase / (Decrease) in Cash Funds	185,815	761,268
Cash Funds at Beginning of Period	792,037	30,769
Cash Funds at End of Year	977,852	792,037

* RAD = Refundable Accommodation Deposit

Notes to the Statement of Cash Flows

(a) Reconciliation of cash

For the purposes of the Statement of cash Flows, the Directors consider cash to include Cash on Hand, Cash at Bank and Term Deposits net of Bank Overdraft. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:-

	2015 \$	2014 \$
Cash on hand	2,050	2,050
Cash at bank and on term deposits	975,802	789,987
Cash at end of year	977,852	792,037

(b) Reconciliation of Net Cash Provided By Operating Activities to Operating Result

Net Profit or (Loss) for year	(1,075,354)	(1,335,825)
Government Capital Funding & Rebates	(404,591)	(125,536)
Net profit or /(Loss) for the year before capital funding	(1,479,945)	(1,461,361)
Items not involving cash flow in operating result		
Depreciation	1,919,593	1,773,177
Provision for uplift repayments	123,931	-
Profit on sale of assets	(35,859)	-
Employee entitlements provided	161,285	143,192
Retentions - accommodation bonds	(110,954)	(147,695)
Absorbed Fees against accommodation bonds	(31,343)	(29,854)
Retentions – lease premiums (Apartments)	(269,358)	(262,739)
Retentions – lease premiums (Villas)	(274,462)	(135,900)
Change in assets and liabilities		
Increase in payables	198,124	246,446
(Increase) in resident fees receivable	(13,204)	(777)
Decrease / (Increase) in other receivables	(69,249)	45,661
Increase in unexpended future development contributions	34,984	-
Net cash provided by / (Used in) Operating Activities	153,543	170,150

Notes To And Forming Part Of The Financial Statements

for the year ended 30 June 2015

1. Statement of Significant Accounting policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations of the Australian Accounting Standard Board) and the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Westmont Aged Care Services Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial statements.

The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial statements, except for the cash flow information have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the revaluation of selected non-current assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Property Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

Depreciation

Depreciation has been provided on depreciable assets so as to allocate the cost (or valuation) over their estimated useful lives using the straight line or diminishing methods of depreciation as deemed appropriate.

The following average rates of depreciation have been applied:

	2015	2014
Buildings and improvements	2.5%	2.5%
Plant, Equipment, Improvements & Furnishings	10.0%	10.0%
Motor Vehicles	15.0%	15.0%

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains are included in the income statement. When valued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(b) Impairment of Assets

At each reporting date, the Board reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

The Board has subsequently requested that a valuation of the facility be undertaken to ensure the true value of the facilities tangible and intangible assets are reflected at their true carrying value.

If such an indication exists, the recoverable amount of the assets, being the higher value of the assets fair value less costs to sell and value-in-use, is compared to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of the individual asset, the Board estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

(c) Employee Benefits

Provision is made for the company liability for the employee benefits arising from the services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

(d) Income Tax

The company is an approved Public Benevolent Institution and, as such, is exempt from Income Tax.

(e) Revenue

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Interest revenue is recognised on a proportionate basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of services is recognised upon delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

	2015 \$	2014 \$
2. Cash and Cash Equivalents		
Cash on hand	2,050	2,050
Cash at bank and on term deposits	975,802	789,987
	977,852	792,037
3. Trade and other receivables		
Refundable Accommodation Deposits/ Bonds receivable	1,335,500	840,000
Apartment Lease premiums receivable	2,300	30,000
Village Lease premiums receivable	1,953,510	1,416,041
Homestead Resident fees & other receivables	23,019	20,120
Community Care (incl HACC) receivables	86,249	75,944
Prepayments	63,696	37,264
GST Refund	49,339	45,582
Other receivables	71,690	32,630
	3,585,303	2,497,581

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

	2015 \$	2014 \$
4. Property, Plant & Equipment		
(a) Baranduda Aged Care facility at independent valuation 30 June 2015 (2014 - independent valuation 30 June 2014) Refer Note 4(b)	44,657,398	38,426,500
Land, at cost	-	970,020
Motor vehicles, at cost	296,603	100,984
Leasehold improvement, at cost	55,310	-
Construction works in progress, at cost	82,655	242,868
	45,091,966	39,740,372

(b) Reconciliation of Movements

	Land	Buildings & Land Improvements	Building Plant & Equipment	Plant, Equipment & Fittings	Total Revalued Assets (2) (3)	Construction works in progress, at cost	Motor Vehicles, at cost	Land, at cost (4)	Leasehold Improvements	Total
Carrying value at 30.06.2014	3,575,000	28,731,811	3,917,513	2,202,176	38,426,500	242,868	100,984	970,020	-	39,740,372
Additions		3,542,555	815,868	164,062	4,522,485	236,327	325,656		55,310	5,139,778
Transfers	970,020	396,540			1,366,560	(396,540)		(970,020)		-
Retirements							(87,893)			(87,893)
Revaluation increments	19,980	2,199,322			2,219,302					2,219,302
Depreciation		(783,870)	(677,293)	(416,286)	(1,877,449)		(42,144)			(1,919,593)
Carrying value at 30.06.2015	4,565,000	34,086,358	4,056,088	1,949,952	44,657,398	82,655	296,603	-	55,310	45,091,966

- The revaluation of Buildings & Land Improvements incorporates bed approvals pertaining to the facility.
 - Westmont's Aged Care Facility at Baranduda was independently valued at 30 June 2015 at \$44,657,398 (30 June 2014 at \$38,426,500).
This increase in valuation due mainly to the inclusion of all stages of the Village development
The valuations were carried out by Nelson Partners Australia Pty Ltd, Certified Practising Valuers. The valuations were performed as a going concern basis, and included the land, buildings and improvements, plant and equipment and bed approvals pertaining to the facility..
 - The Directors have allocated the total revalued amount of the Facility of \$44,657,398 over the specific asset classifications for accounting purposes.
 - The Directors consider that the Land, at Cost is equivalent to Market Value
- (c) In accordance with paragraph 41, AASB 116, Property Plant & Equipment, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost, has been transferred to Retained Earnings from the Asset Revaluation Reserve.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

	2015 \$	2014 \$
5. Trade and other payables		
Trade creditors	221,709	183,922
Capital Creditors	254,236	162,689
Other creditors and accruals	226,816	158,024
Liability for Future Service Delivery - HACC		192,000
Accommodation Bonds & Lease Premiums payable		
- Residential Aged Care - Bonds & Deposits (Homestead)	1,394,656	1,311,890
- Lease Premiums (Apartments)	409,787	-
- Lease Premiums (Village)	288,888	-
Uplift repayments on vacation by lessee provision		
- Village	123,931	-
Unexpended future replacement contributions		
- Apartments	74,272	53,425
- Village	23,378	9,241
	3,017,673	2,071,191
6. Provisions		
Annual leave accrued	455,560	394,152
Provision for long service leave	500,140	400,263
	955,700	794,415
Current portion	757,230	634,272
Non current portion	198,470	160,143
	955,700	794,415

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

	2015 \$	2014 \$
7. Other		
Residential Aged Care - Bonds & Deposits	11,439,370	10,322,900
Lease premiums		
Apartments	8,072,562	8,622,978
Village	11,582,003	7,774,641
	31,093,935	26,720,519
8. Financial liabilities - Borrowings		
Secured		
Borrowings bankers - current portion	-	-
Borrowings bankers - non current portion	-	-
	-	-
9. Revenue		
(a) Operating Revenue		
Client & Residential fees		
- Residential Aged Care (Homestead)	1,857,993	1,753,222
- Apartments	643,862	599,551
- Village	156,155	73,247
- Community Care	361,453	237,882
- Home & Community Care (HACC)	335,429	204,856
Government service fees		
- Residential Aged Care (Homestead)	5,280,013	5,157,811
- Community Care	100,329	70,039
- Home & Community Care (HACC)	2,019,030	1,157,680
Bond Retentions & Deferred Lease Premiums		
- Residential Aged Care (Homestead)	120,427	147,695
- Apartments	269,358	262,739
- Village	273,317	135,900
Transitional Care Program	144,847	122,003
	11,562,213	9,922,625
(b) Other Revenue		
Interest received	58,340	65,593
Coffee Shop	78,663	70,557
Trainee Subsidy	-	-
Donations	3,317	2,533
Other (incl Net Proceeds from sale of Assets)	159,350	49,162
	299,670	187,845
Total Operating Revenue	11,861,883	10,110,470

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

	2015 \$	2014 \$
(c) Government Capital Funding & Rebates		
Home & Community Care Establishment funding	-	125,536
Grant - Power Generator	107,620	-
Solar Transmission Certificates	39,664	-
Home & Community Care Capital funding	257,307	-
Total Government Capital & Rebates	404,591	125,536

10. Related Party Disclosures

(a) Directors

The following persons acted as Directors of the Company during the period.

Andrew Brown	Neville Seymour
Angela Collins	Ray Snell
John Dunstan	Robert Smith
Eleanor Fitz	Andrew Williams
Trevor McLean (Chairman)	

Related Party Transactions

Transactions with Directors or their interests:

The Directors did not receive any remuneration during the year.

There were no transactions with Directors or their related interests during the reporting period.

11. Segment Reporting / Entity Details

Westmont Aged Care Services Ltd operates a community owned not for profit business located at Baranduda, in the City of Wodonga, servicing surrounding areas and incorporates residential aged care, respite care, assisted living units, independent living villas and community care.

The registered office is 91 Hume Street, Wodonga, Victoria, 3690. The principal place of business is 265 Baranduda Boulevard, Baranduda, Victoria, 3691.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

11. (a) Assets and liabilities and income and expenses by segment are set out below:

	Residential Aged Care				Apartments		Village		Community		Total	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Assets												
Cash & cash equivalents	778,493	244,377	74,271	232,993	23,378	231,526	101,710	83,141	977,852	792,037		
Trade & other receivables	1,543,244	975,596	2,300	30,000	1,953,510	1,416,041	86,249	75,944	3,585,303	2,497,581		
Property, plant & equipment	21,610,682	20,300,000	8,287,398	8,653,896	15,002,656	10,688,676	191,230	97,800	45,091,966	39,740,372		
Total Assets	23,932,419	21,519,973	8,363,969	8,916,889	16,979,544	12,336,243	379,189	256,885	49,655,121	43,029,990		
Liabilities												
Trade & other payables	1,843,180	1,653,836	484,059	53,425	690,434	171,930	-	192,000	3,017,673	2,071,191		
Provisions	955,700	794,415							955,700	794,415		
Accommodation bonds / RAD's	11,439,370	10,322,901							11,439,370	10,322,901		
Lease premiums			8,072,562	8,622,977	11,582,003	7,774,641			19,654,565	16,397,618		
Total Liabilities	14,238,250	12,771,152	8,556,621	8,676,402	12,272,437	7,946,571		192,000	35,067,308	29,586,125		
Net Assets	9,694,169	8,748,821	(192,652)	240,487	4,707,107	4,389,672	379,189	64,885	14,587,813	13,443,865		

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

11. (b) Segment Revenues & Expenses:

	Residential Aged Care		Apartments		Village		Community		Total	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Revenue										
Government services fees	5,280,013	5,157,811					2,119,359	1,227,719	7,399,372	6,385,530
Client & Resident fees	1,857,993	1,753,222	643,862	599,551	156,155	73,247	696,882	442,738	3,354,892	2,868,758
Transitional Care	144,847	122,003							144,847	122,003
Bond & lease premium retentions	120,427	147,695	269,358	262,739	273,317	135,900			663,102	546,334
Interest received	43,348	56,673	6,065	8,920	8,927				58,340	65,593
Other revenue	165,502	95,128	4,117	24,868	1,506	2,256	70,205		241,330	122,252
Total Revenue	7,612,130	7,332,532	923,402	896,078	439,905	211,403	2,886,446	1,670,457	11,861,883	10,110,470
Operating expenses										
Resident & Client Care	3,724,042	3,559,012	25,262	26,247	1,031		2,432,095	1,505,002	6,182,430	5,090,261
Catering Services	1,326,630	1,285,097	324,669	320,629					1,651,299	1,605,726
Domestic Services	690,564	659,523	210,745	175,497	39,289	15,483			940,598	850,503
Maintenance & Grounds	484,944	310,092	156,482	151,512	45,821	40,045	121,267	117,872	808,514	619,521
Utilities	176,688	173,755	74,092	76,466	28,640	46,876			279,420	297,097
Administration	720,362	681,489	110,876	148,751	129,081	167,559	174,589	103,447	1,134,908	1,101,246
Finance costs	13,500	72,717	4,412	7,732	6,300	7,324			24,212	87,773
Corporate	125,220	87,486	30,446	10,800	35,320	7,200	48,178	14,400	239,164	119,886
Resident contributions & repayment provision	2,775	-	20,847	20,247	138,068	6,394			161,690	26,641
Depreciation	1,016,195	1,153,838	498,709	380,673	346,065	208,744	58,624	29,922	1,919,593	1,773,177
Total expenses	8,280,920	7,983,009	1,456,540	1,318,554	769,615	499,625	2,834,753	1,770,643	13,341,828	11,571,831
Profit or (loss) before capital funding	(668,790)	(650,477)	(533,138)	(422,476)	(329,710)	(288,222)	51,693	(100,186)	(1,479,945)	(1,461,361)
Capital Funding & Rebates	107,620	-	-	-	34,360	-	262,611	125,536	404,591	125,536
Profit or (loss) after capital funding	(561,170)	(650,477)	(533,138)	(422,476)	(295,350)	(288,222)	314,304	25,350	(1,075,354)	(1,335,825)

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

12. Financial Instruments

Interest rate exposure and market values.

	Floating Interest Rate		Non Interest Bearing	Total	Market Value
	> 1 year	1-2 years			
Financial Assets					
Cash at bank & on hand	975,802	-	2,050	977,852	977,852
Trade & other receivables	3,585,303	-	-	3,585,303	3,585,303
Total Financial Assets	4,561,105	-	2,050	4,563,155	4,563,155
Financial Liabilities					
Accommodation Bonds	-	-	11,439,370	11,439,370	11,439,370
Lease Premiums					
Apartments	-	-	8,072,562	8,072,562	8,072,562
Village	-	-	11,582,003	11,582,003	11,582,003
Trade and Other Payables	-	-	3,017,673	3,017,673	3,017,673
Bank Borrowings - Secured	-	-	-	-	-
Total Financial Liabilities	-	-	34,111,608	34,111,608	34,111,608
Net Financial Assets / Liabilities	4,561,105	-	(34,109,558)	(29,548,453)	(29,548,453)

Weighted average interest rate financial assets = 6.20% (2014 6.70%)

Weighted average interest rate financial liabilities = 4.21% (2014 4.78%)

13. Profit before Income Tax

	2015 \$	2014 \$
Auditors remuneration for		
- Auditing the financial report	7,015	6,923
- Other auditing services	650	807
Depreciation expense	1,919,593	1,773,177
Amount provided/(over-provided)for employee entitlements	161,285	143,192
Amount provided for uplift repayment	123,931	-
Profit on disposal of assets	35,859	-
Interest paid - expensed	24,212	87,773
Interest received – other persons	58,340	65,593
Interest and bank charges paid - capitalized to Construction Projects	5,233	24,688
Operating lease payments	45,177	49,509

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

14. Capital Expenditure

Capital Commitments

The Company at 30 June 2015 had capital commitments on the following capital projects:

	2015	2014
	\$	\$
Independent Living Villa's	825,000	440,275

15. Leasing Commitments

	2015	2014
	\$	\$
Operating lease commitments		
Non cancellable operating lease contracted for but not provided for in the financial statements		
Minimum Lease payments payable		
Not later than 12 months	35,703	45,177
Later than 12 months but not greater than five years	26,459	62,162
	62,162	107,339

16. Contingent Liabilities

There were no contingent liabilities as at 30 June 2015.

17. Winding Up

In the event of the winding up of the company each member and each member who ceased to be a member in the previous year undertakes to contribute an amount not exceeding \$100 to meet outstanding liabilities or costs associated with winding up.

18. Bonds paid by Instalment

Westmont has a number of residents who are paying their entry contribution (bond) by instalments. The value of \$175,000 (2014 \$223,500) of the future instalments has not been brought to account in the financial statements.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2015

19. Credit and Standby Arrangements with Bankers

The Company has established the following credit standby arrangements with bankers:-

Type of Facility	Amount of Facility	Amount of Facility drawn down at 30.06.15
Bond liquidity (overdraft facility)	1,500,000	Nil
Apartment Lease Premium liquidity (overdraft facility)	500,000	Nil
Village Lease Premium liquidity (overdraft facility)	700,000	Nil
Trading liquidity (overdraft facility)	500,000	45,073

The Directors believe that with these arrangements, combined with projected future cash flows, all debts as they become due and payable will be met.

20. Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The Finance and Audit Committee ensures that the overall risk management strategy is in line with this objective.

The Finance and Audit Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market.

These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

The gearing ratios for the year ending 30 June 2014 and 30 June 2015 are as follows:

	2015 \$	2014 \$
Total borrowings	-	-
Less cash and cash equivalents	(977,852)	(792,037)
Net debt	(977,852)	(792,037)
Total equity (reserves & retained earnings)	14,587,813	13,443,865
Total capital	14,587,813	13,443,865
Gearing ratio	not applicable	not applicable
Gearing ratio including accommodation bonds and lease premiums (refer Note 7)	0.47%	0.50%

Director's Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on schedules 1 to 4, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date.
2. In the director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Trevor McLean, Director



Ray Snell, Director

Dated this 18th day of September 2015

Auditor's Independence Declaration



575 Englehardt Street
Albury NSW 2640
PO Box 596, Albury
Phone: (02) 6041 5299
Fax: (02) 6041 5899

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
WESTMONT AGED CARE SERVICES LIMITED
A.C.N. 112 051 457**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

BOB TRAVERS & ASSOCIATES
Chartered Accountant


R J Travers
Principal

ALBURY
18 September 2015

Independent Audit Report

BOB TRAVERS & ASSOCIATES
Bob Travers & Associates
CHARTERED ACCOUNTANT

575 Englehardt Street
Albury NSW 2640
PO Box 596, Albury
Phone: (02) 6041 5299
Fax: (02) 6041 5899

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WESTMONT AGED CARE SERVICES LIMITED A.C.N. 112 051 457

Report on the Financial Report

We have audited the accompanying financial report of Westmont Aged Care Services Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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Independent Audit Report

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WESTMONT AGED CARE SERVICES LIMITED**

A.C.N. 112 051 457

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Westmont Aged Care Services Limited was dated 18 September 2015.


Auditor's Opinion

In our opinion, the financial report of Westmont Aged Care Services Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

BOB TRAVERS & ASSOCIATES
Chartered Accountant

ALBURY
18 September 2015


RJ Travers
Principal

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